

# Senate Study Bill 3255 - Introduced

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON BOLKCOM)

## A BILL FOR

1 An Act concerning live dog racing at pari-mutuel dog  
2 racetracks, establishing fees, and including effective date  
3 provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1     Section 1.   NEW SECTION.   **99D.9A   Alternative dog racetrack**  
2   **licensure — annual fee.**

3     1.   A licensee authorized to operate a pari-mutuel dog  
4   racetrack and to conduct gambling games pursuant to section  
5   99F.6 as of January 1, 2010, may, upon written notification to  
6   the commission and agreement to pay the annual alternative dog  
7   racetrack licensure fee to the commission as provided in this  
8   section, discontinue scheduling performances of live dog races  
9   at the racetrack and maintain a license under this chapter for  
10  purposes of permitting pari-mutuel wagering on simultaneously  
11  telecast dog races.

12    2.   For purposes of this section, the annual alternative  
13  dog racetrack licensure fee shall be determined and paid as  
14  follows:

15     a.   For the pari-mutuel dog racetrack located in Dubuque  
16  county, the payment of three million dollars each January  
17  commencing January 2011.

18     b.   For the pari-mutuel dog racetrack located in  
19  Pottawattamie county, the payment of seven million dollars each  
20  January commencing January 2011.

21    3.   The annual alternative dog racetrack licensure fee shall  
22  be paid to the commission for deposit in the general fund of  
23  the state.

24    Sec. 2.   Section 99D.11, subsection 6, paragraph b, Code  
25  Supplement 2009, is amended to read as follows:

26     b.   (1)   The commission may authorize the licensee to  
27  simultaneously telecast within the racetrack enclosure, for  
28  the purpose of pari-mutuel wagering, a horse or dog race  
29  licensed by the racing authority of another state. It is  
30  the responsibility of each licensee to obtain the consent of  
31  appropriate racing officials in other states as required by  
32  the federal Interstate Horseracing Act of 1978, 15 U.S.C.  
33  § 3001-3007, to televise races for the purpose of conducting  
34  pari-mutuel wagering.

35     (2)   A licensee may also obtain the permission of a person

1 licensed by the commission to conduct horse or dog races in  
2 this state to televise races conducted by that person for the  
3 purpose of conducting pari-mutuel ~~racine~~ wagering. However,  
4 arrangements made by a licensee to televise any race for  
5 the purpose of conducting pari-mutuel wagering are subject  
6 to the approval of the commission, and the commission shall  
7 select the races to be televised. The races selected by the  
8 commission shall be the same for all licensees approved by the  
9 commission to televise races for the purpose of conducting  
10 pari-mutuel wagering. The commission shall not authorize the  
11 simultaneous telecast or televising of and a licensee shall  
12 not simultaneously telecast or televise any horse or dog race  
13 for the purpose of conducting pari-mutuel wagering unless the  
14 simultaneous telecast or televising is done at the racetrack of  
15 a licensee that schedules no less than sixty performances of  
16 nine live races each day of the season or that is not obligated  
17 to schedule performances of live races pursuant to section  
18 99D.9A.

19     (3) For purposes of the taxes imposed under this chapter,  
20 races televised by a licensee for purposes of pari-mutuel  
21 wagering shall be treated as if the races were held at the  
22 racetrack of the licensee. Notwithstanding any contrary  
23 provision in this chapter, the commission may allow a licensee  
24 to adopt the same deductions as those of the pari-mutuel  
25 racetrack from which the races are being simultaneously  
26 telecast.

27     Sec. 3. Section 99F.6, subsection 4, paragraph b, Code 2009,  
28 is amended to read as follows:

29     **b.** The commission shall authorize the licensees of  
30 pari-mutuel dog racetracks located in Dubuque county and Black  
31 Hawk county to conduct gambling games as provided in section  
32 99F.4A if the licensees schedule at least one hundred thirty  
33 performances of twelve live races each day during a season of  
34 twenty-five weeks. For the pari-mutuel dog racetrack located  
35 in Pottawattamie county, the commission shall authorize the

1 licensee to conduct gambling games as provided in section  
2 99F.4A if the licensee schedules at least two hundred ninety  
3 performances of twelve live races each day during a season of  
4 fifty weeks. The commission shall approve an annual contract  
5 to be negotiated between the annual recipient of the dog racing  
6 promotion fund and each dog racetrack licensee to specify the  
7 percentage or amount of gambling game proceeds which shall be  
8 dedicated to supplement the purses of live dog races. The  
9 parties shall agree to a negotiation timetable to insure no  
10 interruption of business activity. If the parties fail to  
11 agree, the commission shall impose a timetable. If the two  
12 parties cannot reach agreement, each party shall select a  
13 representative and the two representatives shall select a  
14 third person to assist in negotiating an agreement. The two  
15 representatives may select the commission or one of its members  
16 to serve as the third party. Alternately, each party shall  
17 submit the name of the proposed third person to the commission  
18 who shall then select one of the two persons to serve as the  
19 third party. All parties to the negotiations, including the  
20 commission, shall consider that the dog racetracks were built  
21 to facilitate the development and promotion of Iowa greyhound  
22 racing dogs in this state and shall negotiate and decide  
23 accordingly. However, the requirement to schedule performances  
24 of live races for purposes of conducting gambling games under  
25 this chapter shall not apply to a licensee who is not obligated  
26 to schedule performances of live races pursuant to section  
27 99D.9A.

28 Sec. 4. IOWA GREYHOUND OWNERS AND KENNELS RETIREMENT FUND.

29 1. A greyhound owners and kennels retirement fund is created  
30 in the state treasury under the control of the racing and  
31 gaming commission.

32 2. The fund shall consist of all of the following:

33 a. Moneys in the dog racing promotion fund created in  
34 section 99D.12 and the Iowa horse and dog breeders fund  
35 created in section 99D.22, that were deposited in those funds

1 from a dog racetrack licensee that discontinues scheduling  
2 performances of live dog races pursuant to section 99D.9A.

3     b. Moneys credited to the fund from a dog racetrack licensee  
4 that discontinues scheduling performances of live dog races  
5 pursuant to section 99D.9A representing the remaining balance  
6 of all dog purse supplement payments owed by the licensee  
7 pursuant to an agreement approved by the commission.

8     3. Moneys in the fund shall be disbursed by the racing  
9 and gaming commission to registered Iowa greyhound owners and  
10 registered Iowa kennels in an expeditious and equitable manner  
11 as determined by the racing and gaming commission.

12     4. Section 8.33 does not apply to any moneys in the fund.  
13 Notwithstanding section 12C.7, subsection 2, interest or  
14 earnings on moneys deposited in the fund shall be credited to  
15 the fund.

16     Sec. 5. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
17 immediate importance, takes effect upon enactment.

18                                   EXPLANATION

19     This bill concerns the conduct of live dog racing at  
20 pari-mutuel dog racetracks authorized to conduct gambling  
21 games.

22     New Code section 99D.9A allows a licensee authorized to  
23 operate a pari-mutuel dog racetrack and to conduct gambling  
24 games as of January 1, 2010, to pay an annual alternative dog  
25 racetrack licensure fee, to discontinue scheduling performances  
26 of live dog races, and to maintain a license under Code  
27 chapter 99D for purposes of permitting pari-mutuel wagering  
28 on simultaneously telecast dog races. The new Code section  
29 sets the annual alternative dog racetrack licensure fee for  
30 the pari-mutuel dog racetrack located in Dubuque county at \$3  
31 million, payable each January commencing January 2011. For the  
32 pari-mutuel dog racetrack located in Pottawattamie county, the  
33 annual alternative dog racetrack licensure fee is set at \$7  
34 million, payable each January commencing January 2011.

35     Code section 99D.11(6)(b), concerning pari-mutuel wagering

1 on simultaneous telecasts of horse or dog races, is amended  
2 to allow a simultaneous telecast of dog races at a licensee  
3 in this state that is not obligated to schedule live dog  
4 races pursuant to new Code section 99D.9A. Under current  
5 law, simulcast telecasting of races can only be allowed at  
6 a racetrack of a licensee that schedules no less than 60  
7 performances of nine live races each day of the season.

8 Code section 99F.6(4)(b) is amended to allow the conduct  
9 of gambling games at a pari-mutuel dog racetrack that is not  
10 obligated to schedule performances of live races pursuant to  
11 new Code section 99D.9A.

12 The bill also establishes a greyhound owners and kennels  
13 retirement fund under the control of the racing and gaming  
14 commission. The fund shall consist of moneys in the dog racing  
15 promotion fund created in Code section 99D.12 and the Iowa  
16 horse and dog breeders fund created in Code section 99D.22 that  
17 are deposited in those funds from a dog racetrack licensee that  
18 discontinues live dog racing as provided by this bill. In  
19 addition, the fund shall also consist of moneys credited to the  
20 fund from a dog racetrack licensee that discontinues live dog  
21 racing in an amount representing the remaining balance of all  
22 dog purse supplement payments owed by the licensee pursuant to  
23 an agreement approved by the commission. The bill provides  
24 that moneys in the fund shall be disbursed by the commission to  
25 registered Iowa greyhound owners and registered Iowa kennels  
26 in an expeditious and equitable manner as determined by the  
27 commission.

28 The bill takes effect upon enactment.